



INDEPENDENT
COMMUNITY
BANKERS OF
MINNESOTA

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October 7, 2005

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Mr. John F. Carter
Regional Director
Federal Deposit Insurance Corporation
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 95105

**Re: Comments Regarding FDIC Application #20051977; Wal-Mart
Application for Insurance and Industrial Bank Charter**

Dear Mr. Carter:

On behalf of the 300 members of the Independent Community Bankers of Minnesota (ICBM), I write to oppose the application of Wal-Mart Stores, Inc., for a Utah industrial bank or industrial loan company charter and federal deposit insurance. As community bankers, we believe strongly that allowing Wal-Mart to own a bank charter and potentially open branches in its network of stores would harm the communities we work hard to serve, our institutions, place unnecessary risk on our nation's economy and the FDIC.

First, we simply do not believe Wal-Mart will, as it has stated, operate a limited ILC charter in Utah. This application's motive stands in stark contrast and contradiction to this corporation's history and philosophy. Wal-Mart has been trying to get into the banking business for years. This is just one more attempt.

Community bankers from Rural America also know very well how Wal-Mart's history is one of destabilizing communities. Small mom and pop merchants, the small businesses on Main Street that independent bankers work to support, are driven out of business. The economic consequences are not positive for these communities. Money that used to stay in the community now is shipped out. Wal-Mart could do the same thing to community banks. And while it's bad enough to lose small businesses, losing community bankers would cause a negative ripple effect which would be devastating to communities all across this country, especially to small businesses remaining and farmers who depend on their community banker.

Further, allowing Wal-Mart to get into banking runs contrary to a policy this country has put in place, which has served our nation well. Mixing banking and commerce is bad public policy and would create serious conflicts of interest and distort credit decisions. Impartial allocation of credit is a key to our financial system. Would a Wal-Mart Bank offer credit at reasonable terms to its competitors? Would they provide a loan to the small business down the street competing with them? Would they provide Ag loans, especially to farmers during a tough season?

Further, the largest company in the world owning a bank would create a dangerous concentration of economic power and resources. What if Enron had owned a bank? Worldcom? Is the FDIC ready to take on this enormous liability risk?

Again, the Independent Community Bankers of Minnesota oppose Wal-Mart's application for a Utah industrial bank or industrial loan company charter and federal deposit insurance.

Sincerely,

A handwritten signature in cursive script, appearing to read "Will Haddeland".

Will Haddeland
President/CEO